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# HOUSE BILL No. 1213

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 6-1.1-10-16.7; IC 36-2-6-22.

**Synopsis:** Property tax exemptions. Provides that the property tax exemption for real property containing certain improvements that were constructed, rehabilitated, or acquired under the federal low income housing tax credit program applies in all counties. (Under existing law, the exemption applies only in Marion County.) Provides that for counties other than Marion County, the payments in lieu of taxes are distributed in the same manner as if they were property taxes being distributed to taxing units in the county. (In Marion County, the payments are distributed to a housing trust fund.)

**Effective:** July 1, 2001; January 1, 2002.

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## Bischoff

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January 9, 2001, read first time and referred to Committee on Ways and Means.

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Introduced

First Regular Session 112th General Assembly (2001)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2000 General Assembly.

## HOUSE BILL No. 1213

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

*Be it enacted by the General Assembly of the State of Indiana:*

1       SECTION 1. IC 6-1.1-10-16.7, AS ADDED BY P.L.19-2000,  
2       SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3       JANUARY 1, 2002]: Sec. 16.7. Real property is exempt from property  
4       taxation if:

5               ~~(1) the real property is located within a county containing a~~  
6               ~~consolidated city;~~

7               ~~(2) (1) the real property is owned by an Indiana corporation;~~

8               ~~(3) (2) the improvements on the real property were constructed,~~  
9               rehabilitated, or acquired for the purpose of providing housing to  
10              income eligible persons under the federal low income housing tax  
11              credit program under 26 U.S.C. 42;

12              ~~(4) (3) the real property is subject to an extended use agreement~~  
13              under 26 U.S.C. 42 as administered by the Indiana housing  
14              finance authority; and

15              ~~(5) (4) the owner of the property has entered into an agreement to~~  
16              make payments in lieu of taxes under **IC 36-2-6-22** or  
17              IC 36-3-2-11.

2001

IN 1213—LS 7049/DI 73+



SECTION 2. IC 36-2-6-22 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: **Sec. 22. (a) As used in this section, the following terms have the meanings set forth in IC 6-1.1-1:**

- (1) Assessed value.
- (2) Exemption.
- (3) Owner.
- (4) Person.
- (5) Property taxation.
- (6) Real property.
- (7) Township assessor.

(b) As used in this section, "PILOTS" means payments in lieu of taxes.

(c) As used in this section, "property owner" means the owner of real property described in IC 6-1.1-10-16.7 that is not located in a county containing a consolidated city.

(d) Subject to the approval of a property owner, the fiscal body of a county may adopt an ordinance to require the property owner to pay PILOTS at times set forth in the ordinance with respect to real property that is subject to an exemption under IC 6-1.1-10-16.7. The ordinance remains in full force and effect until repealed or modified by the legislative body, subject to the approval of the property owner.

(e) The PILOTS must be calculated so that the PILOTS are in an amount equal to the amount of property taxes that would have been levied upon the real property described in subsection (d) if the property were not subject to an exemption from property taxation.

(f) PILOTS shall be imposed in the same manner as property taxes and shall be based on the assessed value of the real property described in subsection (d). The township assessors shall assess the real property described in subsection (d) as though the property were not subject to an exemption.

(g) PILOTS collected under this section shall be distributed in the same manner as if they were property taxes being distributed to taxing units in the county.

(h) PILOTS shall be due as set forth in the ordinance and bear interest, if unpaid, as in the case of other taxes on property. PILOTS shall be treated in the same manner as taxes for purposes of all procedural and substantive provisions of law.

SECTION 3. [EFFECTIVE JANUARY 1, 2002] IC 6-1.1-10-16.7, as amended by this act, applies only to property taxes first due and payable after December 31, 2001.



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